

CHAPTER 82
ECONOMIC FRAUD BUREAU

Chapter rescission date pursuant to Iowa Code section 17A.7: 2/25/31

481—82.1(10A) Definitions.

“*Client*” means any person who has made an application for or is receiving state or federal public assistance from any state or federal agency.

“*Collateral contact*” means a reliable source other than the client who is knowledgeable about information relative to pertinent public assistance case factors.

“*Department*” means the department of inspections, appeals, and licensing.

“*HHS*” means the Iowa department of health and human services.

“*Division*” means the investigations division of the department.

“*EBT*” or “*electronic benefit transfer*” means the electronic process that allows a client to authorize the transfer of the client’s benefits from a financial account to a retailer to pay for eligible items received. Clients are issued an EBT card similar to a bank ATM or debit card to receive and use their Supplemental Nutrition Assistance Program (SNAP) benefits.

“*EBT trafficking*” means the same as defined in 7 CFR 271.2.

“*Intentional program violation*” or “*IPV*” means the same as defined in 7 CFR 273.16(c)(1) and (2).

“*Pertinent public assistance case factors*” means information considered necessary to verify household composition, income, resources or any other potential program violation.

“*Program violation*” means action that is contrary to the rules of eligibility for any state or federal public assistance program.

“*Public assistance*” means the same as defined in rule 441—11.1(217), or any other state or federal assistance program.

[ARC 0011D, IAB 1/21/26, effective 2/25/26]

481—82.2(10A) Economic fraud bureau (EFB or bureau). Generally, the EFB conducts investigations of public assistance fraud, if a written agreement has been entered into between the department and an entity of the executive branch of the federal, state or local government, in order to maintain integrity and accountability in the administration of public assistance benefits.

[ARC 0011D, IAB 1/21/26, effective 2/25/26]

481—82.3(10A) Investigation procedures.

82.3(1) *Client contact.* The bureau may but does not have to contact the client during the course of an investigation. If the bureau contacts the client and the client does not respond, the client’s nonresponse will be included in the bureau’s investigation findings.

82.3(2) *Evidence gathered.* The bureau may conduct record reviews and gather evidence to verify a client’s employment, wages, residence, household composition, income versus expenses, property ownership or other relevant facts.

82.3(3) *Subpoenas.* Subpoenas may be issued pursuant to Iowa Code section 10A.104 and 481—subrule 1.1(4) to obtain information necessary to an investigation. Subpoenas may be served upon the respondent of the subpoena or the respondent’s registered agent as follows:

- a. Personally by division personnel,
- b. Via USPS mail, or
- c. Via facsimile or email.

Division personnel determine the appropriate method by which the respondent is to deliver information in response to a subpoena duces tecum.

82.3(4) *Collateral contacts.* The division may use collateral contacts to collect information pertinent to an investigation or verify information provided by the client.

82.3(5) *Cooperation.* The division may cooperate with local, state or federal law enforcement agencies during investigations.

[ARC 0011D, IAB 1/21/26, effective 2/25/26]

481—82.4(10A) EBT trafficking investigations. In addition to the procedures outlined in rule 481—82.3(10A), the following apply to EBT trafficking investigations.

82.4(1) Probable cause. Probable cause must be established before an EBT trafficking investigation may be conducted.

82.4(2) Referrals. Referrals to the division may come from HHS, retailers, law enforcement agencies or the general public or following the identification of questionable EBT card transactions through federal or state databases. The bureau may open an investigation without an outside referral.

[ARC 0011D, IAB 1/21/26, effective 2/25/26]

481—82.5(10A) Findings. At the completion of an investigation, the bureau will transmit its findings in writing to the appropriate state or federal agency and make recommendations based on the evidence obtained or provided during the investigation.

82.5(1) Decisions about public assistance eligibility. The appropriate state or federal agency makes all decisions about public assistance eligibility. HHS will report the case action taken and any determination of overpayment, cost avoidance, or intentional program violation to the division.

82.5(2) Testimony and hearings. Staff of the division may be called to testify in administrative and legal proceedings related to an investigation, in addition to conducting EBT intentional program violation hearings.

[ARC 0011D, IAB 1/21/26, effective 2/25/26]

481—82.6(10A) Confidentiality. The EFB will maintain confidentiality of investigative case information in accordance with Iowa Code sections 10A.105 and 22.7(5) and any other applicable state or federal law.

[ARC 0011D, IAB 1/21/26, effective 2/25/26]

These rules are intended to implement Iowa Code sections 10A.105, 10A.402, and 10A.403.

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